

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 2002
With Supplemental Information Schedules

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

General Purpose Financial Statements
and Independent Auditor's Reports
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Natchitoches, Louisiana
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Independent Auditor's Report

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have audited the general purpose financial statements of the Natchitoches Parish School Board as of and for the year ended June 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the school board's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit. I did not audit the financial statements of the School Activity Agency Fund, which represents 100 percent of the assets and additions of the Fiduciary Fund Type - Agency Funds. Those statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the School Activity Agency Fund, is based solely on the report of other auditors.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, based on my audit and the report of other auditors, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Natchitoches Parish School Board at June 30, 2002, and the results of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 28, 2002, on my consideration of internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Audit Report
(Continued)

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The accompanying supplemental information schedules listed in the table of contents, page 26 to 56, are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Natchitoches Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The accompanying supplemental information schedules listed in the table of contents, page 76 to page 85, relating to the school board's performance measures are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Natchitoches Parish School Board. Such information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, accordingly, I do not express such an opinion.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 28, 2002

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS
AS OF JUNE 30, 2002, AND FOR THE YEAR THEN ENDED

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 2002

	GOVERNMENTAL FUND TYPES			
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND
ASSETS AND OTHER DEBITS				
Cash and cash equivalents	\$704,048	\$1,758,902	\$4,892,305	\$953,751
Investments	11,100,824	300,602		
Receivables	285,936	368,909		
Interfund receivables	795,647			2,205
Inventory		62,452		
Bus loans receivable	295,877			
Land, buildings, furniture, and equipment				
Other debits:				
Amount available in debt service funds				
Amount to be provided for retirement of general long-term debt				
TOTAL ASSETS AND OTHER DEBITS	<u>\$13,182,332</u>	<u>\$2,490,866</u>	<u>\$4,892,305</u>	<u>\$956,956</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts, salaries, and other payables	\$2,950,846	\$628,606		
Interfund payables	39,924	726,490		
Deferred revenues		414,928		
Deposits due others				
Compensated absences payable				
Bonds payable				
Total Liabilities	<u>2,990,770</u>	<u>1,770,023</u>	<u>NONE</u>	<u>NONE</u>
Fund Equity:				
Investment in general fixed assets				
Fund balances (deficits):				
Reserved for:				
Workers' compensation benefits	11,448			
Debt service			\$4,892,299	
Capital projects				956,956
Unreserved - designated for:				
Insurance	2,258,582			
Contingencies	7,146,477			
Unreserved - undesignated	775,056	720,843	5	
Total Fund Equity	<u>10,191,562</u>	<u>720,843</u>	<u>4,892,305</u>	<u>956,956</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$13,182,332</u>	<u>\$2,490,866</u>	<u>\$4,892,305</u>	<u>\$956,956</u>

The accompanying notes are an integral part of this statement.

FIDUCIARY FUND TYPE - TRUST AND AGENCY FUNDS	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
\$460,083			\$8,769,090 11,401,427 654,845 797,853 62,452 295,877
	\$65,790,936		65,790,936
		\$4,892,299	4,892,299
		25,638,189	25,638,189
<u>\$460,083</u>	<u>\$65,790,936</u>	<u>\$30,530,488</u>	<u>\$118,302,967</u>
\$29,478 31,439			\$3,608,929 797,853 414,928
399,167			399,167
		\$1,575,488	1,575,488
		28,955,000	28,955,000
<u>460,083</u>	<u>NONE</u>	<u>30,530,488</u>	<u>35,751,365</u>
	\$65,790,936		65,790,936
			11,448 4,892,299 955,956
			2,258,582 7,146,477 1,495,905
<u>NONE</u>	<u>65,790,936</u>	<u>NONE</u>	<u>82,551,602</u>
<u>\$460,083</u>	<u>\$65,790,936</u>	<u>\$30,530,488</u>	<u>\$118,302,967</u>

Statement B

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPES

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2002

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND	TOTAL (MEMORANDUM ONLY)
REVENUES					

Local sources:					
Taxes:					
Ad valorem	\$1,404,242	\$770,761	\$2,835,260		\$5,010,264
Sales and use	6,649,128				6,649,128
Rentals, leases, and royalties	115,029	6,050			121,079
Interest earnings	848,280	46,147	124,231	\$46,839	1,065,497
Food services		386,364			386,364
Miscellaneous	71,087	106,166			177,253
State sources:					
Unrestricted grant-in-aid	23,735,979	541,774	46,436		24,324,189
Restricted grants-in-aid	387,424	928,139			1,315,563
Federal sources:					
Grants-in-aid - direct	533,049	52,493			585,542
Grants-in-aid - subgrants		7,799,428			7,799,428
Total revenues	33,744,218	10,637,322	3,005,927	46,839	47,434,306
EXPENDITURES					

Current					
Instruction:					
Regular programs	16,775,454	163,902			16,939,356
Special programs	5,096,623	3,920,465			9,017,088
Vocational programs	781,085	113,667			894,752
Adult and continuing education programs	39,600	97,366			136,967
Other programs	597,389	838,029			1,435,418
Support services programs:					
Pupil support services	987,481	764,752			1,752,233
Instructional staff services	1,372,391	570,678			1,943,069
General administration	513,085	49,120	98,771		660,976
School administration	2,355,552	12,952			2,368,505
Business services	298,181	177,095	11,199	3,069	489,543
Plant services	2,794,641	662,137	26,727	472,521	3,956,026
Student transportation services	3,614,629	34,696			3,649,325
Central services	225,600	41			225,641
Non-Instructional Services:					
Food service operations	1,512	3,060,897			3,062,409
Community service operations	1,300				1,300
Facilities acquisition and construction services	193	1,318		217,549	219,060
Debt service:					
Principal retirement			1,310,000		1,310,000
Interest and bank charges			1,641,477		1,641,477
Total expenditures	35,454,714	10,467,117	3,088,174	693,138	49,703,143

(Continued)

The accompanying notes are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPES

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2002

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND	TOTAL (MEMORANDUM ONLY)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(\$1,710,497)	\$170,206	(\$82,247)	(\$646,299)	(2,268,830)
OTHER FINANCING SOURCES (Uses)					
Operating transfers in	244,561	1,411			245,972
Operating transfers out		(245,972)			(245,972)
Sale of fixed assets	45,566	10,576			56,142
Total other financing sources (uses)	290,127	(233,985)	NONE	NONE	56,142
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,420,369)	(63,780)	(82,247)	(646,299)	(2,212,696)
FUND BALANCE AT BEGINNING OF YEAR	11,611,932	784,622	4,974,552	1,602,255	18,973,361
FUND BALANCES AT END OF YEAR	<u>\$10,191,562</u>	<u>\$720,843</u>	<u>\$4,892,305</u>	<u>\$955,956</u>	<u>\$16,760,666</u>

(Concluded)

The accompanying notes are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPES - GENERAL AND SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2002

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Local sources	\$9,047,817	\$9,087,766	\$39,949	\$1,315,488	\$1,315,488	
State sources	24,123,403	24,123,403		1,469,913	1,383,706	(86,207)
Federal sources	533,049	533,049		7,851,921	7,703,412	(148,509)
Total revenues	33,704,269	33,744,218	39,949	10,637,322	10,402,607	(234,716)
EXPENDITURES						
Current:						
Instructional programs	23,290,150	23,290,150		5,133,430	4,906,517	226,913
Support services programs	12,146,708	12,161,559	(14,851)	2,271,793	2,271,793	
Non-instructional programs	2,812	2,812		3,060,897	3,060,897	
Facilities acquisition and construction	193	193		1,318	1,318	
Total expenditures	35,439,863	35,454,714	(14,851)	10,467,438	10,240,525	226,913
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,735,594)	(1,710,497)	25,098	169,884	162,082	(7,803)
OTHER FINANCING SOURCES (Uses)						
Operating transfers in	244,561	244,561		1,411	1,411	
Operating transfers out	11		(11)	(245,972)	(238,170)	7,803
Sale of assets	45,566	45,566		10,576	10,576	
Total other financing sources (uses)	290,139	290,127	(11)	(233,985)	(226,183)	7,803
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,445,455)	(1,420,369)	25,086	(64,101)	(64,101)	NONE
FUND BALANCE AT BEGINNING OF YEAR	11,572,454	11,611,932	39,478	784,944	784,944	NONE
FUND BALANCES AT END OF YEAR	<u>\$10,126,999</u>	<u>\$10,191,562</u>	<u>\$64,564</u>	<u>\$720,843</u>	<u>\$720,843</u>	<u>NONE</u>

The accompanying notes are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

INTRODUCTION

The Natchitoches Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Natchitoches Parish. The school board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The school board is comprised of eleven members who are elected from eleven districts for terms of four years.

The school board operates schools within the parish with a total enrollment of approximately 7,200 pupils. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the school board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the governmental reporting entity and components units that should be included within the reporting entity. Because the school board has a separately elected governing body and is legally separate and is fiscally independent, the school board is a separate governmental reporting entity. The school board includes all funds, account groups, activities, et cetera, that are within its oversight responsibility.

Certain units of local government over which the school board exercises no oversight responsibility, such as the parish police jury and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish school board.

B. FUND ACCOUNTING

The school board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid in financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

Funds of the school board are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Fund Type

Governmental funds are used to account for all or most of the school board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and servicing of general long-term debt. Governmental funds include:

General Fund -- the general operating fund of the school board and accounts for all financial resources, except those required to be accounted for in other funds.

Special revenue funds -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt service funds -- account for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group.

Capital projects funds -- account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Fiduciary Fund Type

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the school board. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

Revenues

Federal and state entitlements (which includes state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the reimbursable expenditures have been incurred.

Federal commodities are recognized as revenues in the accounting period they are received.

Food service income is recorded when collected. All food services income applicable to an accounting period is collected during the fiscal year.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. Taxes are normally collected in December, January, and February of the fiscal year.

Sales and use taxes are recorded in the month collected by the Natchitoches Parish Sales Tax Commission (collection agent) or by the Louisiana Department of Public Safety and Corrections, Public Safety Services.

Interest earnings on time deposits are recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when they are available to the school board.

Based on the above criteria, federal and state entitlements, ad valorem taxes, and the portion of the sales and use tax on the sale of motor vehicles collected by the Louisiana Department of Public Safety and Corrections, Public Safety Services, are treated as susceptible to accrual by the school board.

Expenditures

Salaries are recorded as expenditures when earned. Teacher salaries are earned over a 9-month period, but are paid over a 12-month period.

Purchases of various operating equipment and supplies are recorded as expenditures in the accounting period they are purchased.

Principal and interest on general long-term debt are recognized when due.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

Food costs are recognized as expenditures in the period in which the food is consumed.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sale of assets, and proceeds from the sale of bonds are accounted for as other financing sources (uses). These transactions are recognized at the time the underlying events occur.

D. BUDGETS

The school board adopts annual budgets on the General Fund and special revenue funds. The proposed budgets are prepared by the director of finance, the superintendent, and the finance committee of the school board during July and/or August of each year. During August and/or September, the availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are advertised in the official journal. At its first meeting in September, the school board holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the results of the public hearing and the desires of the school board as a whole. The budgets are then adopted, and notice is published in the official journal.

The budgets are prepared on the modified accrual basis of accounting and all appropriations lapse at year end. Encumbrances are not formally recognized within the accounting system for budgetary control purposes; however, outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded. Formal budgetary integration (within the accounting records) is employed as a management control device.

The superintendent of schools is authorized to transfer amounts between line items within a fund; however, when requested by the school board, budgetary comparisons are prepared and presented to the school board during a regular meeting. The school board reviews these comparisons and proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in the school board minutes published in the official journal. Budget amounts included in the accompanying financial statements include the final amended budget amounts.

E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those income-producing items with original maturities of usually 90 days or less. Under state law, the school board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the school board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. INVESTMENTS

In accordance with Louisiana Revised Statute (LSA-R.S.) 32:2955, the school board, upon determination of the availability of funds in excess of immediate cash requirements by its treasurer or chief financial officer and in the exercise of prudent judgment, may invest in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness guaranteed by federal agencies or United States government instrumentalities, provided that such obligations are backed by the full faith and credit of the United States government; and savings accounts and certificates of deposit of state banks organized under the laws of Louisiana or national banks having their principal offices in the state of Louisiana. Additionally, the school board may invest in mutual or trust fund institutions (limited to 25 per cent of the funds considered available for investment under this section) provided that they are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the investment Act of 1940 and have underlying investments consisting solely of securities of the United States government or its agencies. Investments are stated at amortized cost.

H. INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods and services provided or rendered. These receivables and payables are classified as interfund receivables and payables on the balance sheet.

I. INVENTORY

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the school board and commodities granted by the United States Department of Agriculture. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

J. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed asset account group. Public domain or infrastructures, such as sidewalks and parking lots, are not capitalized. Construction period interest is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. Approximately 78 per cent of the fixed assets are valued at actual historical cost while the remaining 22 per cent are valued at estimated historical cost, based on historical cost of similar items.

K. COMPENSATED ABSENCES

All 12-month employees earn 10 days of vacation leave each year. Upon separation, all unused vacation leave is forfeited.

All school board employees earn 10 days of sick leave each year. Sick leave for teachers and bus drivers may be accumulated without limitation, while all other employees are limited to 25 days accumulated sick leave. Upon retirement or death, unused sick leave of up to 25 days is paid to the employee (or heirs) at the employee's current rate of pay. Under the Louisiana Teacher's Retirement, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefits computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the school board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term debt account group.

L. LONG-TERM DEBT

Long-term debt expected to be financed from governmental funds is reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term debt are recognized in the governmental funds when due.

M. FUND EQUITY

Reserves -- represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated -- represent tentative plans for future use of financial resources.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

N. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. SALES TAXES

The Natchitoches Parish Sales Tax Commission is authorized to collect, within Natchitoches Parish, the following sales and use taxes for the benefit of the Natchitoches Parish School Board:

A one percent (1%) sales and use tax, the proceeds of the tax are dedicated for the operation, maintenance, and upgrading of the public schools in Natchitoches Parish. The tax expires August 1, 2003.

A one-half of one per cent (1/2%) sales and use tax, the proceeds are dedicated for the payment of salaries and benefits of teachers and other employees of the school system in Natchitoches Parish.

P. TOTAL COLUMNS ON COMBINED STATEMENTS

The total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CASH OVERDRAFTS

Substantially all cash received by the school board is deposited into pooled cash accounts. Each fund with monies deposited into the account has equity in the account. Certain funds included in the pooled cash account have made disbursements in excess of their individual equities. The balances of these amounts have been aggregated by fund and reported on Statement A and cash overdrafts have been recorded as interfund receivables/payables.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

3. CASH AND CASH EQUIVALENTS

At June 30, 2002, the school board has cash and cash equivalents (book balance) as follows:

Interest-bearing demand deposits	\$2,134,700
Money market funds	<u>6,634,390</u>
Total Cash and Cash Equivalents	<u>\$8,769,090</u>

The collected bank balances (cash and cash equivalents), at June 30, 2002, are secured as follows:

Description	Category			Bank	Book
	1	2	3	Balance	Balance
Demand deposits	\$211,473		\$6,555,117	\$6,766,590	\$2,134,700
Money market funds	<u>6,634,390</u>			<u>6,634,390</u>	<u>6,634,390</u>
Totals	<u>\$6,845,863</u>	<u>NONE</u>	<u>\$6,555,117</u>	<u>\$12,400,980</u>	<u>\$8,769,090</u>

Category 1 includes cash and cash equivalents that are insured or registered or for which the securities are held by the school board or its agent in the school board's name. Category 2 includes uninsured and unregistered cash and cash equivalents for which securities are held by the bank's trust department, broker-dealers, or agent in the school board's name. Category 3 includes uninsured and unregistered cash and cash equivalents for which the securities are held by the bank's trust department, broker-dealer, or by its agent but not in the school board's name.

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the school board that the fiscal agent has failed to pay deposited funds upon demand.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

4. INVESTMENTS

At June 30, 2002, the school board holds the following investments:

Description	Category			Fair
	A	B	C	Value
Government securities	\$9,143,316			\$9,143,316
United States Treasury Bonds	<u>2,258,111</u>			<u>2,258,111</u>
Total Investments	<u>\$11,401,427</u>	<u>NONE</u>	<u>NONE</u>	<u>\$11,401,427</u>

Category A includes investments that are insured or registered or for which the securities are held by the school board or its agent in the school board's name. Category B includes uninsured and unregistered investments for which securities are held by the broker's or dealer's trust department or agent in the school board's name. Category C includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the school board's name.

5. RECEIVABLES

The receivables at June 30, 2002, are as follows:

Class of Receivable	General Fund	Special Revenue Funds	Total
Intergovernmental:			
State grants	\$194,599	\$163,366	\$357,965
Federal grants		204,015	204,015
Other	<u>91,336</u>	<u>1,529</u>	<u>92,865</u>
Totals	<u>\$285,936</u>	<u>\$368,909</u>	<u>\$654,845</u>

6. FIXED ASSETS

The changes in general fixed assets for the year ended June 30, 2002, follows:

	Land	Buildings	Furniture and Equipment	Total
Balance, June 30, 2001	\$1,125,390	\$51,944,674	\$12,785,023	65,855,088
Additions		203,872	756,918	960,790
Deductions	<u>(100)</u>		<u>(1,024,842)</u>	<u>(1,024,942)</u>
Balance, June 30, 2002	<u>\$1,125,290</u>	<u>\$52,148,546</u>	<u>\$12,517,099</u>	<u>\$65,790,936</u>

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

7. RETIREMENT SYSTEMS

Substantially all employees of the school board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers Retirement System (TRS); other school employees such as custodial personnel and bus drivers, are members of the Louisiana School Employees Retirement System (LSERS). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

Teacher's Retirement System of Louisiana (TRS) -- consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established by state statute. The TRS issues a publicly available financial report that includes the financial statements and required supplementary information for the TRS. This report may be obtained by writing the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (504) 925-6646.

Louisiana School Employees' Retirement System (LSERS) -- provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established by state statute. The LSERS issues a publicly available financial report that includes the financial statements and required supplementary information for the LSERS. This report may be obtained by writing the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (504) 925-6484.

8. OTHER POSTEMPLOYMENT BENEFITS

The Natchitoches Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the school board's employees become eligible for these benefits if they reach normal retirement age while working for the school board. These benefits for retirees and similar benefits for active employees are provided through the State Group Benefits Program, whose monthly premiums are paid jointly by the employee and the school board. The school board recognizes the cost of providing these benefits (the board's portion of premiums) as an expenditure when the monthly premiums are due. For the year ended June 30, 2002, the cost of retiree benefits totaled \$1,240,324, for approximately 363 retirees.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

9. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables at June 30, 2002, are as follows:

Classification	General Fund	Special Revenue Funds	Agency Funds	Total
Accounts and related benefits payable	\$35,880	\$100,002	\$29,478	\$165,360
Salaries and withholdings payable	2,914,965	528,604		3,443,569
Total	<u>\$2,950,846</u>	<u>\$628,606</u>	<u>\$29,478</u>	<u>\$3,608,929</u>

10. COMPENSATED ABSENCES

At June 30, 2002, employees of the school board have accumulated and vested \$1,575,488, in employee leave benefits, which were computed in accordance with GASB Codification Section C60. The total amount of these benefits is recorded within the general long-term debt account group.

11. CHANGES IN AGENCY FUND DEPOSITS

A summary of changes in agency fund deposits due others follows:

	School Activity Funds
Balance, July 1, 2001	\$384,286
Additions	1,440,286
Deductions	<u>(1,425,405)</u>
Balance, June 30, 2002	<u>\$399,167</u>

12. FUND DEFICITS

The following Governmental Fund-Type - Special Revenue Funds - School District Maintenance Funds have an unreserved/undesignated fund deficit June 30, 2002:

Consolidated School District No. 6	\$32,126
Consolidated School District No. 7	15,722
Consolidated School District No. 8	15,924

Management intends to eliminate these deficits through controlling expenditures.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

13. CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of the general long-term debt transactions for the year ended June 30, 2002:

	Bonded Debt	Compensated Absences	Total
Long-term debt payable at July 1, 2001	\$30,265,000	\$1,827,420	\$32,092,420
Additions		42,010	42,010
Deductions	(1,310,000)	(293,942)	(1,603,942)
Long-term debt payable at June 30, 2002	<u>\$28,955,000</u>	<u>\$1,575,488</u>	<u>\$30,530,488</u>

All school board bonds outstanding at June 30, 2002, are general obligation bonds with maturities from 1997 to 2017 and interest rates from 4.7 to 10 per cent. Bond principal and interest payable in the next fiscal year are \$1,410,000 and \$1,533,681, respectively. The individual issues, which are serial bonds payable from the respective school district debt service funds, are as follows:

School District and Date of Issue	Original Issue	Interest Rates	Final Payment Date	Interest to Maturity	Principal Outstanding
Consolidated No. 7 - December 1, 1993	\$5,840,000	4.6 - 5.4%	01/01/2014	\$1,935,109	\$5,420,000
Consolidated No. 8 - September 1, 1992	1,400,000	5.45 - 10%	03/01/2012	352,809	970,000
School District No. 9: July 1, 1995	10,000,000	5 - 10%	03/01/2015	3,328,450	7,620,000
April 1, 1997	10,000,000	4.75 - 10%	03/01/2017	3,875,778	8,720,000
January 1, 1998	6,800,000	4.5 - 7.0%	03/01/2017	<u>2,380,225</u>	<u>6,085,000</u>
Totals				<u>\$11,943,571</u>	<u>\$28,955,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2002, the school board has accumulated \$4,892,299 in the debt service funds, for future debt requirements. The bonds are due as follows:

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

Bonded Indebtedness	Principal Payments	Interest Payments	Total
Year Ended June 30:			
2003	\$1,410,000	\$1,533,681	\$2,943,681
2004	1,540,000	1,425,291	2,965,291
2005	1,650,000	1,306,976	2,956,976
2006	1,755,000	1,188,961	2,943,961
2007	1,840,000	1,102,836	2,942,836
Thereafter	20,760,000	5,385,625	26,145,625
Total	<u>\$28,955,000</u>	<u>\$11,943,371</u>	<u>\$40,898,371</u>

Bonded Debt - Defeasance

In prior years, the school board defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the school board's financial statements. On June 30, 2002, a total of \$5,320,000 of bonds outstanding are considered defeased.

14. INTERFUND RECEIVABLES/PAYABLES

Fund	Interfund Receivable	Interfund Payable
General Fund	\$795,648	\$39,924
Special Revenue Funds:		
Federal Funds		\$492,530
State Funds		154,109
Building and Equipment Funds		75,851
Other		4,000
Capital Projects Funds	2,205	
Agency Funds		31,439
TOTALS	<u>\$797,853</u>	<u>\$797,853</u>

15. RISK MANAGEMENT

The school board is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. With respect to the aforementioned risks, with the exception of property losses below the policy deductibles, and for injuries to employees (worker's compensation), the school board has obtained commercial insurance, and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Notes to the Financial Statements (Continued)

With respect to injuries to employees (worker's compensation), the school board has initiated a risk management program for workers' compensation insurance. Operation of this program is accounted for within the General Fund and funds are available to pay claims, claim reserves, and administrative costs of the program. An excess coverage insurance policy covers claims in excess of \$200,000 with an aggregate limit of \$1,000,000. Interfund premiums are based primarily on the individual funds' payroll and are reported as expenditures in the individual funds.

16. FUND BALANCE DESIGNATIONS - GENERAL FUND

In accordance with a resolution adopted by the school board, a portion of the fund balance of the General Fund is designated for insurance loss to cover any potential property loss that may occur. At June 30, 2002, the comprehensive insurance policy deductible is \$100,000 per occurrence for buildings and contents. The changes in the fund balance for the year ended June 30, 2002, are as follows:

Designated for insurance deductible, July 1, 2001	\$2,123,232
Additions	135,350
Deductions	NONE
Designated for insurance deductible, June 30, 2002	<u>\$2,258,582</u>

A portion of the fund balance of the General Fund has also been designated by the school board for a contingency reserve to cover any possible contingency that may occur. The changes in the fund balance during the year ended June 30, 2002, is as follows:

Designated for contingency reserve, July 1, 2000	\$6,633,583
Additions	512,894
Reductions	NONE
Designated for contingency reserve, June 30, 2002	<u>\$7,146,477</u>

17. FUND BALANCE

The beginning fund balances of the Arco Grant Fund and the Reading is Fundamental Grant Fund, reported as Governmental Fund Type - Special Revenue Funds - Other, were reclassified to recognize deferred revenues.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2002

SPECIAL REVENUE FUNDS

FEDERAL GRANT FUNDS

TITLE I - GRANTS TO LOCAL EDUCATIONAL AGENCIES (CFDA NO. 84.010) - is a federally financed program whose objective is to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency, improve achievement in basic and more advanced skills, and progress to the same high standards as other children.

TITLE I - MIGRANT EDUCATION - BASIC STATE GRANT PROGRAM (CFDA NO. 84.011) - is a federally financed program whose objective is to assist States to ensure that migratory children have the opportunity to meet the same challenging State content and performance standards that all children are expected to meet. The Natchitoches Parish School Board serves as the Local Operating Agency (LOA) under the Louisiana State Plan.

IMPACT AID (CFDA NO. 84.041) - is a federally financed program whose objective is to provide assistance to the local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities.

SAFE AND DRUG-FREE SCHOOLS -- STATE GRANTS (CFDA NO. 84.186) - is a federally financed program whose objective is to establish State and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

EISENHOWER PROFESSIONAL DEVELOPMENT - STATE GRANTS (CFDA NO. 84.281) - is a federally financed program whose objective is to ensure that teachers, staff, and administrators have access to sustained and intensive high-quality professional development. To challenge State content standards in core academic subjects.

INNOVATIVE EDUCATION PROGRAM STRATEGIES (CFDA NO. 84.298) - is a federally financed program whose objective is to assist State and local educational agencies in improving elementary and secondary education.

EVEN START - STATE EDUCATIONAL AGENCIES (CFDA No. 84.213) - is a federally financed program whose objective is to provide family-centered education projects to help parents become full partners in the education of their children, to assist children in reaching their full potential as learners, and to provide literacy training for their parents.

CHALLENGE GRANTS FOR TECHNOLOGY IN EDUCATION - LOCAL INNOVATION (CFDA NO. 84.303) - is a federally financed program whose objective is to support the development, interconnection, implementation, improvement, and maintenance of an effective educational technology infrastructure.

VOCATIONAL EDUCATION -- BASIC GRANTS TO STATES (CFDA NO. 84.048) - is a federally financed program whose objective is to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

NATCHITOCHES PARISH SCHOOL BOARD
SUPPLEMENTAL INFORMATION SCHEDULES
(Continued)

SPECIAL EDUCATION -- CHILDREN WITH DISABILITIES (CFDA NO. 84.009), GRANTS TO STATES (CFDA NO. 84.027), AND PRESCHOOL GRANTS (CFDA NO. 84.173) - are federally financed programs whose objectives include providing assistance to States as a means of providing a free appropriate public education to all children with disabilities.

CLASS SIZE REDUCTION (CFDA NO. 84.340) -- is a federally financed program whose objective is to provide funding in order to reduce class size, particularly in the early grades, using highly qualified teachers to improve educational achievement.

ADULT EDUCATION -- STATE GRANT PROGRAM (CFDA NO. 84.002) - is a federally financed program whose objective is to improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in society.

PREVENTIVE HEALTH -- HEALTH SERVICES BLOCK GRANT (CFDA NO. 93.991) - is a federally financed program whose objective is to provide States with the resources to improve the health status of the population of each grantee.

CHILD CARE AND DEVELOPMENT -- BLOCK GRANT (CFDA NO. 93.575) - is a federally financed program whose objective is to make grants available to assist low-income families with child care services.

GOALS 2000 -- STATE AND LOCAL EDUCATION SYSTEMIC IMPROVEMENT (CFDA NO. 84.276) - is a federally financed program whose objective is to provide grants to State Education Agencies (SEA's) as a means of supporting the development and implementation of a comprehensive reform plan at the State, local, and school levels to improve teaching and learning of all students.

COMPREHENSIVE SCHOOL REFORM DEMONSTRATION (CFDA 84.332) -- is a federally financed program whose objective is to provide financial incentives for schools that need to substantially improve student achievement, particularly Title I schools to implement comprehensive school reform programs.

READING EXCELLENCE (CFDA NO. 84.338) -- is a federally financed program whose objective is to award grants to States to provide children with the readiness skills and support they need in early childhood to learn to read once they enter school.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (CFDA NO. 84.278) -- is a federally financed program whose objective is to provide assistance to needy families with children so that children can be cared for in their own homes.

STATE GRANT FUNDS

SPECIAL EDUCATION -- is a state financed program whose objective is to provide additional education to children with exceptionalities and other special educational requirements.

ADULT EDUCATION -- is a state financed program whose objective is to provide classes to individuals who are not high school graduates. Instruction is given until the student passes the GED test, which is equivalent to receiving a high school diploma.

NATCHITOCHEs PARISH SCHOOL BOARD
SUPPLEMENTAL INFORMATION SCHEDULES
(Continued)

QUALITY EDUCATION SUPPORT -- is a state financed program whose objective is to enhance the educational opportunities of all children by eliminating one or more educational problems.

CHILD CARE -- is a state financed program whose objective is to assist low-income families with child care services.

SPECIAL PROJECT TO UPGRADE READING -- is a state financed program whose objective is to provide programs for facilitating reading improvement throughout the state.

SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS

MAINTENANCE FUNDS -- account for the proceeds of ad valorem taxes levied for maintaining and improving schools within each school district.

OTHER FUNDS

RAPIDES FOUNDATION - CLOUTIERVILLE -- accounts for the proceeds of grant funds, from the Rapides Foundation, a Louisiana nonprofit corporation, whose objective is to improve student achievement by producing high intellectual and challenging work with students and teachers.

RAPIDES FOUNDATION - LAKEVIEW JR/SR HIGH -- accounts for the proceeds of grant funds, from the Rapides Foundation, a Louisiana nonprofit corporation, whose objective is to improve student achievement by producing high intellectual and challenging work with students and teachers.

RAPIDES FOUNDATION - NSU ELEMENTARY -- accounts for the proceeds of grant funds, from the Rapides Foundation, a Louisiana nonprofit corporation, whose objective is to improve student achievement by producing high intellectual and challenging work with students and teachers.

RAPIDES FOUNDATION - HEALTH CLINIC -- accounts for the proceeds of grant funds, from the Rapides Foundation, a Louisiana nonprofit corporation, whose objective is to improve student achievement by providing basic health care benefits to needy students.

RAPIDES FOUNDATION - NATCHITOCHEs CENTRAL -- accounts for the proceeds of grant funds, from the Rapides Foundation, a Louisiana nonprofit corporation, whose objective is to improve student achievement by producing high intellectual and challenging work with students and teachers.

SHREVEPORT ARTS COUNCIL -- provides art appreciation instructional services for selected students. The program is funded through a local grant.

SHELTERED WORKSHOP -- provides instructional services for selected students. The program is funded through a local corporate grant.

ARCO GRANT -- provides instructional services for selected students. The program is funded through a local corporate grant.

NATCHITOCHEs PARISH SCHOOL BOARD
SUPPLEMENTAL INFORMATION SCHEDULES
(Continued)

SCHOOL LUNCH -- accounts for the School Food Service Program, the purpose of which is to provide nourishing meals for all students in all grades. The fund is supplemented by both federal and state funds that are based on reimbursement and participation, and from payments by participants of the program.

READING IS FUNDAMENTAL -- provides assistance to improve the reading ability of children. The program is funded through contributions from interested individuals.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Balance Sheet, June 30, 2002

	FEDERAL FUNDS	STATE FUNDS	SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS	OTHER FUNDS	TOTAL
ASSETS					
Cash and equivalents	\$1,054,956	\$95,847	\$271,741	\$336,358	\$1,758,902
Investments				300,602	300,602
Receivables	204,015	163,366		1,529	368,909
Interfund receivable					
Inventory				62,452	62,452
TOTAL ASSETS	<u>\$1,258,970</u>	<u>\$259,213</u>	<u>\$271,741</u>	<u>\$700,941</u>	<u>\$2,490,866</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts, salaries, and other payables	\$420,229	\$40,711	\$9,390	\$158,275	\$628,606
Interfund payable	492,530	154,109	75,851	4,000	726,490
Deferred revenues	346,211	64,393		4,323	414,928
Total Liabilities	<u>1,258,970</u>	<u>259,213</u>	<u>85,241</u>	<u>166,598</u>	<u>1,770,023</u>
Fund Equity - fund balance - unreserved/undesignated	<u>NONE</u>	<u>NONE</u>	<u>186,500</u>	<u>534,343</u>	<u>720,843</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$1,258,970</u>	<u>\$259,213</u>	<u>\$271,741</u>	<u>\$700,941</u>	<u>\$2,490,866</u>

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2002

	FEDERAL FUNDS	STATE FUNDS	SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS	OTHER FUNDS	TOTAL
REVENUES					
Local sources:					
Ad valorem taxes			\$770,761		\$770,761
Rentals, leases, and royalties			6,050		6,050
Interest earnings	\$12,416		7,111	\$26,620	46,147
Food services				386,364	386,364
Miscellaneous	1,602	\$1,499	3,339	99,726	106,166
State sources:					
Unrestricted grants-in-aid			45,025	496,749	541,774
Restricted grants-in-aid		928,139			928,139
Federal sources:					
Grants-in-aid - direct	52,493				52,493
Grants-in-aid - subgrants	5,759,611			2,039,817	7,799,428
Total revenues	5,826,121	929,638	832,286	3,049,277	10,637,322
EXPENDITURES					
Current:					
Instruction:					
Regular programs		60,595	103,307		163,902
Special programs	3,735,708	142,195		42,562	3,920,465
Vocational programs	113,337		330		113,667
Adult and continuing education programs	66,447	30,919			97,366
Other programs	185,214	622,528	30,288		838,029
Support services:					
Pupil support services	761,690	1,583	1,479		764,752
Instructional staff services	478,541	47,831		44,306	570,678
General administration	1,856	132	47,132		49,120
School administration	11,170		1,782		12,952
Business services	176,540		554		177,095
Plant services	40,718		621,419		662,137
Student transportation services	10,615	23,854	228		34,696
Central services	41				41
Non-Instructional services - food service operations				3,060,897	3,060,897
Facilities acquisition and construction service			1,318		1,318
Total expenditures	5,581,876	929,638	807,837	3,147,765	10,467,117

(Continued)

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2002

	FEDERAL FUNDS	STATE FUNDS	SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS	OTHER FUNDS	TOTAL
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$244,245	NONE	\$24,449	(\$98,488)	\$170,206
OTHER FINANCING SOURCES (Uses)					
Operating transfers in	1,411				1,411
Operating transfers out	(245,972)				(245,972)
Sales of assets	316		8,731	1,529	10,576
Total other financing sources (uses)	(244,245)	NONE	8,731	1,529	(233,985)
EXCESS (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	NONE	NONE	33,180	(96,960)	(63,780)
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	153,320	631,302	784,622
FUND BALANCE AT END OF YEAR	NONE	NONE	\$186,500	\$534,342	\$720,843

(Concluded)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - FEDERAL GRANT FUNDS
Combining Balance Sheet, June 30, 2002

	TITLE 1	MIGRANT	IMPACT AID	DRUG-FREE	EISENHOWER PROFESSIONAL DEVELOPMENT	INNOVATIVE EDUCATION STRATEGIES
ASSETS						
Cash and equivalents	\$632,210	\$42,532	\$172,978	\$9,213	\$3,249	
Receivables		3,312		898	\$5,545	\$4,559
TOTAL ASSETS	\$632,210	\$45,844	\$172,978	\$10,110	\$8,794	\$4,559
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts, salaries, and other payables	\$227,148	\$27,334		\$9,258	\$5,781	
Interfund payable	286,191	14,030		832	3,014	4,559
Deferred revenues	118,872	4,480	\$172,978	20		
Total Liabilities	632,210	45,844	172,978	10,110	8,794	4,559
Fund Equity - fund balances - unreserved - undesignated	NONE	NONE	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND EQUITY	\$632,210	\$45,844	\$172,978	\$10,110	\$8,794	\$4,559

(Continued)

EVEN START	CHALLENGE GRANTS	VOCATIONAL EDUCATION	SPECIAL EDUCATION	CLASS SIZE	ADULT EDUCATION	READING EXCELLENCE	JOBS GRANT	PREVENTIVE HEALTH
\$30,851	\$33		\$34,940 54,454	\$53,169	\$3,385 339	\$41,956 20,303	\$6 1,593	\$49,166
\$30,851	\$33	NONE	\$89,394	\$53,169	\$3,725	\$62,259	\$1,599	\$49,166
\$12,592 18,259	33		\$45,767 38,873 4,753	\$39,889 9,578 3,702	\$1,079 2,646	\$29,007 32,954 298	1,599	\$8,329 \$40,837
30,851	33	NONE	89,394	53,169	3,725	62,259	1,599	49,166
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
\$30,851	\$33	NONE	\$89,394	\$53,169	\$3,725	\$62,259	\$1,599	\$49,166

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - FEDERAL GRANT FUNDS

Combining Balance Sheet, June 30, 2002

	CHILD CARE	SCHOOL REFORM	GOALS 2000	TEMPORARY ASSISTANCE	TOTAL FEDERAL GRANT FUNDS
ASSETS	-----	-----	-----	-----	-----
Cash and equivalents	\$10,004	\$2,085	\$30		\$1,054,956
Receivables		6,966		\$75,195	204,015
	-----	-----	-----	-----	-----
TOTAL ASSETS	<u>\$10,004</u>	<u>\$9,051</u>	<u>\$30</u>	<u>\$75,195</u>	<u>\$1,258,970</u>
LIABILITIES AND FUND EQUITY	-----	-----	-----	-----	-----
Liabilities:					
Accounts, salaries, and					
other payables	\$6,973	\$6,600		\$473	\$420,229
Interfund payable	2,821	\$2,451		74,722	492,530
Deferred revenues	209		\$30		346,211
	-----	-----	-----	-----	-----
Total Liabilities	10,004	9,051	30	75,195	1,258,970
	-----	-----	-----	-----	-----
Fund Equity - fund balances -					
unreserved - undesignated	NONE	NONE	NONE	NONE	NONE
	-----	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	<u>\$10,004</u>	<u>\$9,051</u>	<u>\$30</u>	<u>\$75,195</u>	<u>\$1,258,970</u>

(Concluded)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - FEDERAL GRANT FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2002

	TITLE 1	MIGRANT	IMPACT AID	DRUG-FREE	EISENHOWER PROFESSIONAL DEVELOPMENT	INNOVATIVE EDUCATION STRATEGIES
REVENUES						
Local sources:						
Interest earnings	\$5,371		\$5,660			
Miscellaneous	33			\$250		
State sources:						
Unrestricted grants-in-aid						
Restricted grants-in-aid						
Federal sources:						
Grants-in-aid - direct			2			
Grants-in-aid - subgrants	2,584,643	\$311,045		\$72,267	\$82,238	\$50,158
Total revenues	2,590,048	311,045	5,662	72,517	82,238	50,158
EXPENDITURES						
Current:						
Instruction:						
Regular programs						
Special programs	1,854,556	112,816				
Adult and continuing education programs			3,866			
Vocational education programs	760					
Other					52,527	
Support services:						
Pupil support services	350,045			63,798		
Instructional staff services	191,160	36,444		4,858	25,421	47,507
General administration	965	74		36	22	15
School administration	2,803		1			
Business services	16,196	155,901	1,795	61		
Plant services	39,988	388		18		
Student transportation services	138					
Central services	18					
Non-Instructional Services:						
Food service operations						
Community service operations						
Facilities acquisition and construction						
Total expenditures	2,456,629	305,623	5,662	68,770	77,970	47,522

(Continued)

EVEN START	CHALLENGE GRANTS	VOCATIONAL EDUCATION	SPECIAL EDUCATION	ADULT EDUCATION	PREVENTIVE HEALTH	CHILD CARE	GOALS 2000	SCHOOL REFORM
			\$466 \$1,319		\$789	129		
437,807	52,490	113,838	\$1,192,346	58,247	\$59,661	63,599	59,026	57,719
437,807	52,490	113,838	1,194,130	58,247	60,450	63,728	59,026	57,719
421,714			\$732,190		35,685	63,704		7,554
10,197		109,471		55,491				
		3,913					54,335	
140	51,856	455	\$323,460		24,387			
77	151		\$68,782				1,709	47,156
5,561	313		\$251		27	19		
95	5		\$2,224		269	5	6	
	8		\$2,333		83			
			\$316					
23			\$9,361					
437,807	52,333	113,838	1,138,918	55,491	60,450	63,728	56,050	54,710

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - FEDERAL GRANT FUNDS
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2002

	TITLE 1	MIGRANT	IMPACT AID	DRUG-FREE	EISENHOWER PROFESSIONAL DEVELOPMENT	INNOVATIVE EDUCATION STRATEGIES
EXCESS (Deficiency) OF REVENUES						
OVER EXPENDITURES	\$133,419	\$5,422		\$3,747	\$4,268	\$2,636
OTHER FINANCING SOURCES (Uses)						
Operating transfers in		1,411				
Operating transfers out	(133,735)	(6,833)		(3,747)	(4,268)	(2,636)
Sale of assets	316					
Total other financing sources (uses)	(133,419)	(5,422)	NONE	(3,747)	(4,268)	(2,636)
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	NONE	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT END OF YEAR	NONE	NONE	NONE	NONE	NONE	NONE

(Continued)

EVEN START	CHALLENGE GRANTS	VOCATIONAL EDUCATION	SPECIAL EDUCATION	ADULT EDUCATION	PREVENTIVE HEALTH	CHILD CARE	GOALS 2000	SCHOOL REFORM
	\$157		\$55,213	\$2,757			\$2,975	\$3,009
	(157)		(\$55,213)	(2,757)			(2,975)	(3,009)
NONE	(157)	NONE	(55,213)	(2,757)	NONE	NONE	(2,975)	(3,009)
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - FEDERAL GRANT FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2002

	READING EXCELLENCE	TEMPORARY ASSISTANCE	TOTAL FEDERAL GRANT FUNDS
REVENUES			

Local sources:			
Interest earnings			\$12,416
Miscellaneous			1,602
State sources:			
Unrestricted grants-in-aid			
Restricted grants-in-aid			
Federal sources:			
Grants-in-aid - direct			52,493
Grants-in-aid - subgrants	\$468,508	\$148,509	5,759,611
	-----	-----	-----
Total revenues	468,508	148,509	5,826,121
	-----	-----	-----
EXPENDITURES			

Current:			
Instruction:			
Regular programs			
Special programs	440,559	66,929	3,735,708
Adult and continuing education programs			113,337
Vocational education programs			66,447
Other	662	73,777	185,214
Support services:			
Pupil support services			761,690
Instructional staff services	3,051		478,541
General administration	219		1,856
School administration			11,170
Business services	61		176,540
Plant services			40,718
Student transportation services	1,116		10,615
Central services			41
Non-Instructional Services:			
Food service operations			
Community service operations			
Facilities acquisition and construction			
	-----	-----	-----
Total expenditures	445,669	140,706	5,581,876
	-----	-----	-----

(Continued)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - FEDERAL GRANT FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2002

	READING EXCELLENCE	TEMPORARY ASSISTANCE	TOTAL FEDERAL GRANT FUNDS
EXCESS (Deficiency) OF REVENUES ----- OVER EXPENDITURES -----	\$22,840	\$7,803	\$244,245
OTHER FINANCING SOURCES (Uses) -----			
Operating transfers in			1,411
Operating transfers out	(22,840)	(7,803)	(245,972)
Sale of assets			316
Total other financing sources (uses)	(22,840)	(7,803)	(244,245)
EXCESS (Deficiency) OF REVENUES ----- AND OTHER SOURCES OVER ----- EXPENDITURES AND OTHER USES -----	NONE	NONE	NONE
FUND BALANCE AT BEGINNING OF YEAR -----	NONE	NONE	NONE
FUND BALANCE AT END OF YEAR -----	NONE	NONE	NONE

(Concluded)

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - STATE GRANT FUNDS
 Combining Balance Sheet
 June 30, 2002

	SPECIAL EDUCATION	ADULT EDUCATION	QUALITY EDUCATION SUPPORT	SPECIAL PROGRAM TO UPGRADE READING	TOTAL
ASSETS					
Cash and equivalents	\$54,834	\$11,035	\$12,022	\$17,956	\$95,847
Receivables	141,590		21,776		163,366
TOTAL ASSETS	196,424	11,035	33,798	17,956	\$259,213
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts, salaries, and other payables	\$16,973	\$7,284	\$16,401	\$53	\$40,711
Interfund payable	132,966	\$3,747	17,397		154,109
Deferred revenues	46,486	4		17,903	64,393
Total Liabilities	196,424	11,035	33,798	17,956	259,213
Fund Equity - fund balance - unreserved/undesignated	NONE	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND EQUITY	\$196,424	\$11,035	\$33,798	\$17,956	\$259,213

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - STATE GRANT FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2002

	SPECIAL EDUCATION	ADULT EDUCATION	QUALITY EDUCATION SUPPORT	SPECIAL PROGRAM TO UPGRADE READING	TOTAL
REVENUES					
Local sources - other				\$1,499	\$1,499
State sources - restricted grants-in-aid	\$645,399	\$30,953	\$251,787		928,139
Total revenues	645,399	30,953	251,787	1,499	929,638
EXPENDITURES					
Current:					
Instruction:					
Regular programs	60,595				60,595
Special programs	140,195		2,000		142,195
Adult and continuing education programs		30,919			30,919
Other programs	388,251		232,872	1,405	622,528
Support services:					
Pupil support services	1,583				1,583
Instructional staff services	36,267		11,565		47,831
General administration	4	34		94	132
Student transportation services	18,504		5,350		23,854
Total expenditures	645,399	30,953	251,787	1,499	929,638
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT END OF YEAR	NONE	NONE	NONE	NONE	NONE

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS

Combining Balance Sheet, June 30, 2002

	CONSOLIDATED SCHOOL DISTRICTS					TOTAL SCHOOL DISTRICT MAINTENANCE FUNDS
	SCHOOL DISTRICT NO. 6	SCHOOL DISTRICT NO. 7	SCHOOL DISTRICT NO. 8	SCHOOL DISTRICT NO. 10	SCHOOL DISTRICT NO. 9	
ASSETS						
Cash and equivalents	\$7,383			\$16,119	\$248,239	\$271,741
TOTAL ASSETS	<u>\$7,383</u>	<u>NONE</u>	<u>NONE</u>	<u>\$16,119</u>	<u>\$248,239</u>	<u>\$271,741</u>
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts, salaries, and and other payables	\$132	\$9,244			\$14	\$9,390
Interfund payables	39,377	6,478	\$15,924	\$11,867	2,205	75,851
Total Liabilities	<u>39,509</u>	<u>15,722</u>	<u>15,924</u>	<u>11,867</u>	<u>2,219</u>	<u>85,241</u>
Fund Equity - fund balances (deficit) - unreserved - undesignated	<u>(\$32,126)</u>	<u>(15,722)</u>	<u>(15,924)</u>	<u>4,252</u>	<u>\$246,020</u>	<u>186,500</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$7,383</u>	<u>NONE</u>	<u>NONE</u>	<u>\$16,119</u>	<u>\$248,239</u>	<u>\$271,741</u>

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - SCHOOL DISTRICT MAINTENANCE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2002

	CONSOLIDATED SCHOOL DISTRICT				SCHOOL DISTRICT NO. 9	TOTAL
	NO. 6	NO. 7	NO. 8	NO. 10		
REVENUES						
Local sources:						
Ad valorem taxes	\$35,546	\$167,661	\$20,011	\$29,985	517,558	\$770,761
Rentals, leases and royalties		50		6,000		6,050
Interest earnings	151	400	596	661	5,303	7,111
Miscellaneous		2,321			1,018	3,339
State sources - unrestricted grants-in-aid			2,906		42,119	45,025
Total revenues	35,697	170,432	23,513	36,646	565,998	832,286
EXPENDITURES						
Current:						
Instruction:						
Regular programs		5,042	3,783	965	93,517	103,307
Vocational programs					330	330
Other	432	6,639			23,216	30,288
Support services:						
Pupil					1,479	1,479
General administration	1,243	13,892	6,682	6,838	18,476	47,132
School administration		1,657			125	1,782
Business services	3	57	53	89	352	554
Plant services	48,232	152,423	33,938	35,365	351,462	621,419
Student transportation services		228				228
Facilities acquisition and construction					1,318	1,318
Total expenditures	49,911	179,939	44,456	43,257	490,275	807,837
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(14,214)	(9,506)	(20,943)	(6,611)	75,723	24,449
OTHER FINANCING SOURCES (Uses)						
Sale of fixed assets	NONE	55	8,475	NONE	201	8,731
EXCESS (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(14,214)	(9,451)	(12,468)	(6,611)	75,924	33,180
FUND BALANCE AT BEGINNING OF YEAR	(17,912)	(6,271)	(3,457)	10,863	170,096	153,320
FUND BALANCE AT END OF YEAR	<u>(\$32,126)</u>	<u>(\$15,722)</u>	<u>(\$15,924)</u>	<u>\$4,252</u>	<u>\$246,020</u>	<u>\$186,500</u>

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - OTHER FUNDS
Combining Balance Sheet, June 30, 2002

	RAPIDES FOUNDATION - CLOUTIERVILLE	RAPIDES FOUNDATION - LAKEVIEW JR/SR HIGH	RAPIDES FOUNDATION - NSU ELEMENTARY	RAPIDES FOUNDATION - HEALTH CLINIC	RAPIDES FOUNDATION - NATCHITOCHES CENTRAL
ASSETS					

Cash and equivalents	\$8,600	\$757		\$4,000	\$1,236
Investments, at fair value					
Receivables					
Inventory					
	-----	-----	-----	-----	-----
TOTAL ASSETS	<u>\$8,600</u>	<u>\$757</u>	<u>NONE</u>	<u>\$4,000</u>	<u>\$1,236</u>
LIABILITIES AND FUND EQUITY					

Liabilities:					
Accounts, salaries, and					
and other payables	\$8,600				\$1,236
Interfund payables				\$4,000	
Deferred revenues		\$757			
	-----	-----	-----	-----	-----
Total Liabilities	<u>8,600</u>	<u>757</u>	<u>NONE</u>	<u>4,000</u>	<u>1,236</u>
Fund Equity - fund balances					
Unreserved - undesignated	NONE	NONE	NONE	NONE	NONE
	-----	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	<u>\$8,600</u>	<u>\$757</u>	<u>NONE</u>	<u>\$4,000</u>	<u>\$1,236</u>

SHREVEPORT ARTS COUNCIL	SHELTERED WORKSHOP - INTERNATIONAL PAPER	ARCO GRANT	SCHOOL LUNCH	READING IS FUNDAMENTAL	TOTAL
	\$3 5	NONE	\$317,574 300,597 1,529 62,452	\$4,188	\$336,358 300,602 1,529 62,452
NONE	\$8	NONE	\$682,152	\$4,188	\$700,941
			\$147,809	\$630	\$158,275 4,000 4,323
	\$8			3,558	4,323
NONE	8	NONE	147,809	4,188	166,598
NONE	NONE	NONE	534,342	NONE	534,342
NONE	\$8	NONE	\$682,152	\$4,188	\$700,941

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - OTHER FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2002

	RAPIDES FOUNDATION - CLOUTIERVILLE	RAPIDES FOUNDATION - LAKEVIEW JR/SR HIGH	RAPIDES FOUNDATION - NSU ELEMENTARY	RAPIDES FOUNDATION - HEALTH CLINIC
REVENUES				

Local sources:				
Interest earnings				
Food service				
Miscellaneous	\$15,900	\$18,568	\$15,741	\$8,000
State sources - unrestricted grants-in-aid				
Federal sources - restricted grants-in-aid				
	-----	-----	-----	-----
Total revenues	15,900	18,568	15,741	8,000
	-----	-----	-----	-----
EXPENDITURES				

Current:				
Instructional services - special programs	6,763	16,268	1,552	8,000
Support services - instruction staff support	9,137	2,300	14,189	
Non-instructional services - food service operations				
	-----	-----	-----	-----
Total expenditures	15,900	18,568	15,741	8,000
	-----	-----	-----	-----
EXCESS (Deficiency) OF REVENUES OVER				
EXPENDITURES	NONE	NONE	NONE	NONE

OTHER FINANCING SOURCES				

Sale of fixed assets	NONE	NONE	NONE	NONE
	-----	-----	-----	-----
EXCESS (Deficiency) OF REVENUES AND OTHER				
SOURCES OVER EXPENDITURES	NONE	NONE	NONE	NONE

FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	NONE	NONE

FUND BALANCE AT END OF YEAR	NONE	NONE	NONE	NONE

RAPIDES FOUNDATION - NATCHITOCHES CENTRAL	SHREVEPORT ARTS COUNCIL	SHELTERED WORKSHOP - INTERNATIONAL PAPER	ARCO GRANT	SCHOOL LUNCH	READING IS FUNDAMENTAL	TOTAL
				\$26,543	\$77	\$26,620
				386,364		386,364
\$25,000	\$2,420			12,935	1,162	99,726
				496,749		496,749
				2,039,817		2,039,817
25,000	2,420	NONE	NONE	2,962,408	1,239	3,049,277
6,320	2,420				1,238	42,562
18,680					1	44,306
				3,060,897		3,060,897
25,000	2,420	NONE	NONE	3,060,897	1,239	3,147,765
NONE	NONE	NONE	NONE	(98,488)	NONE	(98,488)
NONE	NONE	NONE	NONE	1,529	NONE	1,529
NONE	NONE	NONE	NONE	(96,960)	NONE	(96,960)
NONE	NONE	NONE	NONE	631,302	NONE	631,302
NONE	NONE	NONE	NONE	\$534,342	NONE	\$534,342

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2002

GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS

The debt service funds of the various school districts are used to accumulate monies for the payment of outstanding bond issues and certificates of indebtedness. The bonds and certificates of indebtedness were issued by the individual school districts to acquire land for building sites, erect and improve school buildings, and acquire the necessary equipment and furnishing thereof. The bond issues and certificates of indebtedness are financed by a special ad valorem property tax levied within the individual school districts.

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS
 Combining Balance Sheet, June 30, 2002

	CONSOLIDATED SCHOOL DISTRICTS			SCHOOL DISTRICT NO. 9	TOTAL SCHOOL DISTRICT FUNDS
	NO. 6	NO. 7	NO. 8		
ASSETS					

Cash and equivalents	\$5	\$951,122	\$196,106	\$3,745,071	\$4,892,305
	-----	-----	-----	-----	-----
TOTAL ASSETS	<u>\$5</u>	<u>\$951,122</u>	<u>\$196,106</u>	<u>\$3,745,071</u>	<u>\$4,892,305</u>
LIABILITIES AND FUND EQUITY					

Liabilities	NONE	NONE	NONE	NONE	NONE
	-----	-----	-----	-----	-----
Fund Equity - fund balances:					
Reserved for debt service		951,122	196,106	3,745,071	4,892,299
Unreserved - undesignated	\$5				5
	-----	-----	-----	-----	-----
Total fund equity	<u>5</u>	<u>951,122</u>	<u>196,106</u>	<u>3,745,071</u>	<u>4,892,305</u>
	-----	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	<u>\$5</u>	<u>\$951,122</u>	<u>\$196,106</u>	<u>\$3,745,071</u>	<u>\$4,892,305</u>

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2002

	CONSOLIDATED SCHOOL DISTRICTS			SCHOOL DISTRICT NO. 9	TOTAL SCHOOL DISTRICT FUNDS
	NO. 6	NO. 7	NO. 8		
REVENUES					
Local sources:					
Ad valorem taxes		\$552,798	\$137,220	\$2,145,242	\$2,835,260
Interest earnings	\$325	25,024	4,803	94,079	124,231
State sources - unrestricted grants-in-aid				46,436	46,436
Total revenues	325	577,822	142,022	2,285,757	3,005,927
EXPENDITURES					
Current:					
Support services:					
General administration		18,871	5,202	74,698	98,771
Business services		2,497	467	8,234	11,199
Plant services	26,727				26,727
Debt service:					
Principal retirement		340,000	65,000	905,000	1,310,000
Interest and charges		293,824	62,478	1,285,176	1,641,477
Total expenditures	26,727	655,192	133,146	2,273,109	3,088,174
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(26,402)	(77,370)	8,876	12,648	(82,247)
FUND BALANCE AT BEGINNING OF YEAR	26,407	1,028,492	187,230	3,732,423	4,974,552
FUND BALANCE AT END OF YEAR	\$5	\$951,122	\$196,106	\$3,745,071	\$4,892,305

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2002

GOVERNMENTAL FUND TYPE - CAPITAL PROJECTS FUNDS

These individual school district capital projects funds account for financial resources used for facilities acquisition, construction, and improvements of public school facilities in the individual school districts.

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - CAPITAL PROJECTS FUNDS
 Combining Balance Sheet, June 30, 2002

	CONSOLIDATED SCHOOL DISTRICT NO. 8	SCHOOL DISTRICT NO. 9	TOTALS
ASSETS			

Cash and equivalents		\$953,751	\$953,751
Interfund receivables		2,205	2,205
	NONE	\$955,956	\$955,956
LIABILITIES AND FUND EQUITY			

Liabilities	NONE	NONE	NONE
Fund Equity - reserved for capital projects	NONE	955,956	955,956
TOTAL LIABILITIES AND FUND EQUITY	NONE	\$955,956	\$955,956

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - CAPITAL PROJECTS FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2002

	CONSOLIDATED SCHOOL DISTRICT NO. 8	SCHOOL DISTRICT NO. 9	TOTALS
REVENUES			
Interest on investments	NONE	\$46,839	\$46,839
EXPENDITURES			
Current - supporting services:			
General administration		3,069	3,069
Business services		472,521	472,521
Operation and maintenance of plant		217,549	217,549
Facilities acquisition and construction			
Total expenditures	NONE	693,138	693,138
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	NONE	(646,299)	(646,299)
FUND BALANCE AT BEGINNING OF YEAR	NONE	1,602,255	1,602,255
FUND BALANCE (Deficit) AT END OF YEAR	NONE	\$955,956	\$955,956

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2002

FIDUCIARY FUND TYPE - AGENCY FUNDS

SCHOOL ACTIVITY FUND

The School Activity Agency Fund accounts for monies generated by the schools and organizations within the schools of the parish. While these accounts are under the supervision of the school board, they belong to the individual schools or their student bodies and are not available for use by the school board.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUND - SCHOOL ACTIVITY FUNDS
Balance Sheet, June 30, 2002

ASSETS

Cash and cash equivalents

\$460,083

LIABILITIES

Accounts payable

\$29,478

Interfund payables

31,439

Deposits due others

399,167

TOTAL LIABILITIES

\$460,083

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS - SCHOOL ACTIVITY FUNDS

Combining Schedule of Changes in Deposit Balances
 For the Year Ended June 30, 2002

SCHOOL ACTIVITY FUNDS	BALANCE JUNE 30, 2001	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2002
-----	-----	-----	-----	-----
Cloutierville	\$12,520	\$80,704	(\$77,618)	\$15,606
East Natchitoches Junior High School	21,424	24,461	(24,232)	21,653
Educational Center	NONE	4,917	(2,366)	2,551
Fairview-Alpha Elementary	44,637	63,898	(71,094)	37,441
Goldonna Elementary	8,979	48,236	(42,019)	15,196
Lakeview High	39,043	218,625	(233,995)	23,674
Marthaville Elementary	21,692	104,591	(96,853)	29,430
Natchitoches Central High	130,123	521,703	(527,885)	123,941
Natchitoches Junior High	13,694	68,517	(64,933)	17,278
North Natchitoches Elementary	24,922	35,963	(34,366)	26,519
Northwestern Elementary Laboratory	25,421	59,082	(60,444)	24,059
Northwestern Middle Laboratory	8,234	37,512	(34,354)	11,392
Parks Elementary	4,140	34,090	(27,424)	10,806
Provencal Elementary	17,204	88,408	(81,904)	23,708
Weaver Elementary	12,253	49,579	(45,918)	15,914
-----	-----	-----	-----	-----
Total	\$384,286	\$1,440,286	(\$1,425,405)	\$399,167
	=====	=====	=====	=====

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2002

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to the school board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The compensation of the school board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the school board members have elected the monthly payment method of compensation. Under this method, the members of the school board receive \$650 per month. In addition, the president receives \$50 per month for exercising the duties of the office.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2002

BOARD MEMBER	AMOUNT
Millard J. Bienvenu	\$7,800
Carroll Daniels	7,800
Russell E. Danzy	7,800
Julia Hildebrand	7,800
Rudolph Leon, Jr.	1,300
Sammie Leon	4,550
Emile E. Metoyer	7,800
Gladys Revels	1,300
Bobby R. Thomas	7,800
Cecil H. Walker	7,800
Dorothy D. Wilkerson	7,800
Joella Wilson	7,800
Ralph D. Wilson	8,400
Total	\$85,750

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The reports are based solely on the audit of the general purpose financial statements.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have audited the general purpose financial statements of the Natchitoches Parish School Board as of and for the year ended June 30, 2002, and have issued my report thereon dated December 28, 2002. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the school board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 2002-1.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Compliance and Internal Control Report
(Continued)

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe none of the reportable conditions described above is a material weakness.

Prior Year Audit Findings

The audit for the year ended June 30, 2001, disclosed no instances of noncompliance that were required to be reported under *Government Auditing Standards* or matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses. The audit report disclosed a reportable condition relating to the reconciliation of certain bank accounts. Reportable condition, 2001-1, relating to the reconciliation of the payroll bank account has not been resolved by management and is repeated in this audit report as reportable condition 2002-1. Reportable condition, 2001-2, relating to the reconciliation of the accounts payable bank account has been resolved by management.

General

This report is intended for the information of the audit committee, management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 28, 2002

OTHER REPORTS REQUIRED BY
OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-133

The following pages contain reports on the schedule of federal financial assistance, consideration of internal control, and compliance with laws and regulations required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the Single Audit Act, and the Louisiana *Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have audited the compliance of Natchitoches Parish School Board with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of the major federal programs for the year ended June 30, 2002. Natchitoches Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the school board's management. My responsibility is to express an opinion on the school board's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the school board's compliance with those requirements and performing other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the school board's compliance with those requirements.

In my opinion, the school board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control over Compliance

The management of the school board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the school board's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance with OMB Circular A-133.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
A-133 Report
(Continued)

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 28, 2002

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

GRANTOR AGENCY	PROGRAM TITLE
-----	-----
United States Department of Agriculture	

Passed through Louisiana Department of Agriculture and Forestry Food Distribution	Commodities
Passed through Louisiana Department of Education	School Breakfast Program
Passed through Louisiana Department of Education	National School Lunch Program
Total United States Department of Agriculture	
United States Department of Education	

Direct Programs	Impact Aid
Direct Programs	Technology Literacy Challenge Fund Grants
Passed through Louisiana Department of Education	Adult Education - State Grant Program
Passed through Louisiana Department of Education	Adult Education - State Grant Program
Passed through Louisiana Department of Education	Adult Education - State Grant Program
Passed through Louisiana Department of Education	Adult Education - State Grant Program
Passed through Louisiana Department of Education	Title I Grants to Local Educational Agencies
Passed through Louisiana Department of Education	Title I Grants to Local Educational Agencies
Passed through Louisiana Department of Education	Title I Grants to Local Educational Agencies
Passed through Louisiana Department of Education	Title I Grants to Local Educational Agencies
Passed through Louisiana Department of Education	Migrant Education - State Grant Program
Passed through Louisiana Department of Education	Migrant Education - State Grant Program
Passed through Louisiana Department of Education	Migrant Education - State Grant Program
Passed through Louisiana Department of Education	Vocational Education - Basic Grants to States
Passed through Louisiana Department of Education	Vocational Education - Basic Grants to States
Passed through Louisiana Department of Education	Special Education - Preschool Grants
Passed through Louisiana Department of Education	Special Education - Preschool Grants
Passed through Louisiana Department of Education	Special Education - Preschool Grants
Passed through Louisiana Department of Education	Special Education - Preschool Grants
Passed through Louisiana Department of Education	Special Education - Preschool Grants
Passed through Louisiana Department of Education	Special Education - Preschool Grants
Passed through Louisiana Department of Education	Special Education - Grants for Infants & Families
Passed through Louisiana Department of Education	Safe and Drug-Free Schools and Communities - State Grants
Passed through Louisiana Department of Education	Safe and Drug-Free Schools and Communities - State Grants
Passed through Louisiana Department of Education	Safe and Drug-Free Schools and Communities - State Grants
Passed through Louisiana Department of Education	Safe and Drug-Free Schools and Communities - State Grants
Passed through Louisiana Department of Education	Safe and Drug-Free Schools and Communities - State Grants
Passed through Louisiana Department of Education	Even Start - State Educational Agencies
Passed through Louisiana Department of Education	Even Start - State Educational Agencies
Passed through Louisiana Department of Education	State and Local Education Systematic Improvement Grants
Passed through Louisiana Department of Education	Eisenhower Professional Development - State Grants
Passed through Louisiana Department of Education	Eisenhower Professional Development - State Grants
Passed through Louisiana Department of Education	Innovative Education Program Strategies
Passed through Louisiana Department of Education	Innovative Education Program Strategies
Passed through Louisiana Department of Education	Comprehensive School Reform Demonstration
Passed through Louisiana Department of Education	Reading Excellence
Passed through Louisiana Department of Education	Reading Excellence
Passed through Louisiana Department of Education	Reading Excellence
Passed through Louisiana Department of Education	Reading Excellence
Passed through Louisiana Department of Education	Reading Excellence
Passed through Louisiana Department of Education	Class Size Reduction
Total United States Department of Education	

(Continued)

CFDA NUMBER	GRANT NUMBER	ISSUES/ EXPENDITURES
10.550		\$145,439
10.553		454,408
10.555		1,439,970

		2,039,817

84.041		5,662
84.318		52,490
84.002	0244-35	53,583
84.002	280122-35	356
84.002	0144-35-C	4,308
84.010	02-T1-35	2,228,647
84.010		316
84.010		5,404
84.010	01-T1-35	355,996
84.011	02-MI-35	200,026
84.011	01-MI-35-M	51,011
84.011		61,419
84.048	School-To-Work	4,368
84.048	0202-35	109,471
84.173	02-131-35	653,512
84.173	00-B1-35-5-CO	15,872
84.173		1,785
84.173	02-B1-35	51,589
84.173	01-B1-35	115,628
84.173	01-B1-35	9,991
84.181	02-C5-35	698
84.186	01-70-35	8,258
84.186	00-79-35-DCO	635
84.186	02-70-35	35,476
84.186	02-79-35	15,842
84.186		12,306
84.213	01-F1-35-C	25,195
84.213	02-F1-35	412,611
84.276	2801-PD-35	59,026
84.281	02-50-35	79,583
84.281	28005035I	2,654
84.298	01-00-35	4,129
84.298	02-00-35	46,029
84.332	01-T2-35-C	57,719
84.338		38,678
84.338		23,377
84.338	00-R2-35-C	46,215
84.338	00-R1-35-C	277,983
84.338	00-RS-35-C	82,255
84.340	02-01-35	345,055

		5,555,161

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

GRANTOR AGENCY	PROGRAM TITLE
United States Department of Health and Human Services	
Passed through the Louisiana Department of Education	Child Care and Development Block Grant
Passed through the Louisiana Department of Education	Temporary Assistance for Needy Families
Passed through the Louisiana Department of Education	Preventive Health and Health Services Block Grant
Total United States Department of Health and Human Services	
Other Financial Assistance	
United States Department of Interior	Direct Program - Payments in Lieu of Taxes
Total United States Department of Interior	
United States Department of Defense	Direct Program - ROTC
Total Federal Financial Assistance	

Notes to the schedule:

1. The schedule, consistent with the preparation of the school board's financial statements, is prepared on the modified accrual basis of accounting.
2. The school board received USDA commodities (CFDA No. 10.550), a non-cash federal award during the year.

CFDA NUMBER	GRANT NUMBER	ISSUES/ EXPENDITURES
93.575	0238-35	63,728
93.558	0236-35	148,509
93.991		60,450

		272,687

15.000		443,548

		443,548

12.000		89,501

		\$8,400,715
		=====

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued.

Unqualified

Internal control over financial reporting:

Material weakness identified?

No

Reportable condition identified not considered a material weakness?

Yes

2002-1 PAYROLL BANK ACCOUNT -- the school board is not reconciling the bank account related to the payroll activities of the school board.

A discussion with personnel in the accounting department disclosed that this account had not been reconciled since the former accounting supervisor retired.

All bank accounts should, to provide the school board with assurances that monies are being expended in accordance with management's intentions, be reconciled on a monthly basis and these reconciliations should be reviewed by an employee at least one level above the classification of the individual performing the reconciliations.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Schedule of Findings and Questioned Costs
(Continued)

The school board should assign specific employees with the responsibility to reconcile these bank statements, with oversight and review to be provided by the Director of Finance for Business Affairs.

Management of the Natchitoches Parish School Board has provided assurances that the aforementioned recommendations will be implemented and that the bank accounts will be reconciled by January 2003.

Noncompliance material to the financial statements noted? No

Federal Awards

Internal Control over major programs:

Material weakness identified? No

Reportable condition identified not considered to be a material weakness? No

Type of auditor's report issued on compliance for major programs. Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133 Section 510(a)? No

CFDA No. 84.011 - Migrant Education - State Grant Program, CFDA No. 84.173 - Special Education - Preschool Grants, CFDA No. 84.213 - Even Start - State Educational Agencies, CFDA No. 84.338 - Reading Excellence, and CFDA No. 84.340 - Class Size Reduction were considered as major programs of the agency.

Dollar threshold used to distinguish between Type A and Type B Programs. \$300,000

Auditee qualified as low risk auditee? Yes

Section II - Financial Statement Findings

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Schedule of Findings and Questioned Costs
(Continued)

Section III - Federal Award Findings and Questioned Costs

The audit disclosed no findings or questioned costs relating to expenditure of Federal Awards.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 28, 2002

NATCHITOCHEs PARISH SCHOOL BOARD
Independent Accountant's Report On Applying Agreed-Upon Procedures
For the Year Ended June 30, 2002

HERBIE W. WAY
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INDEPENDENT ACCOUNTANT'S REPORT

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Natchitoches Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Natchitoches Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. My procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

I selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

Total General Fund Instructional Expenditures,

Total General Fund Equipment Expenditures,

Total Local Taxation Revenue,

Total Local Earnings on Investment in Real Property,

Total State Revenue in Lieu of Taxes,

Nonpublic Textbook Revenue, and

Nonpublic Transportation Revenue.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Independent Accountant's Report
(Continued)

Education Levels of Public School Staff (Schedule 2)

I reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

I reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. I traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Number and Type of Public Schools (Schedule 3)

I obtained a list of schools by type as reported on the schedule. I compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Public Staff Data (Schedule 5)

I obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule. I recalculated the average salaries and full-time equivalents reported in the schedule.

Class Size Characteristics (Schedule 6)

I obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. I then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
Independent Accountant's Report
(Continued)

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

The Graduation Exit Exam for the 21st Century (Schedule 8)

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

The Iowa Tests (Schedule 9)

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Natchitoches Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 28, 2002

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

SCHEDULES OF PERFORMANCE MEASURES
For the Year Ended June 30, 2002

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2002

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$16,404,155
Other Instructional Staff Activities	1,291,115
Employee Benefits	4,319,864
Purchased Professional and Technical Services	187,737
Instructional Materials and Supplies	888,616
Instructional Equipment	252,941

Total Teacher and Student Interaction Activities \$23,344,428

Other Instructional Activities 79,814

Pupil Support Activities	987,482
Less: Equipment for Pupil Support Services	NONE

Net Pupil Support Activities 987,482

Instructional Staff Services	1,377,578
Less: Equipment for Instructional Staff Services	(2,180)

Net Instructional Staff Services 1,375,398

Total General Fund Instructional Expenditures \$25,787,122
=====

Total General Fund Equipment Expenditures \$2,180
=====

(Continued)

UNAUDITED

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2002

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$514,871
Renewable Ad Valorem Taxes	1,545,834
Debt Service Ad Valorem Taxes	2,835,260
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	114,299
Sales and Use Taxes	6,649,128

Total Local Taxation Revenue	\$11,659,392
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Local Earnings on Investment in Real Property:

Earnings from 16th Section Land	\$61,599
Earnings from Other Real Property	NONE

Total Local Earnings on Investment in Real Property	61,599
---	--------

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$65,463
Revenue Sharing - Other Taxes	67,997
Revenue Sharing - Excess Portion	NONE
Other Revenue in Lieu of Taxes	NONE

Total State Revenue in Lieu of Taxes	\$133,460
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Nonpublic Textbook Revenue	\$18,159
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Nonpublic Transportation Revenue	\$13,308
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(Concluded)

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Education Levels of Public School Staff
As of October 1, 2001

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	-----	-----	-----	-----	-----	-----	-----	-----
Less than a Bachelor's Degree	0	0.00	3	6.00	0	0.00	0	0.00
Bachelor's Degree	257	59.00	40	83.00	1	4.00	0	0.00
Master's Degree	102	23.00	5	11.00	4	16.00	0	0.00
Master's Degree + 30	70	16.00	0	0.00	19	76.00	0	0.00
Specialist in Education	5	1.10	0	0.00	0	0.00	0	0.00
Ph. D. or Ed. D.	4	0.90	0	0.00	1	4.00	0	0.00
	-----	-----	-----	-----	-----	-----	-----	-----
Total	438	100.00	48	100.00	25	100.00	0	0.00
	-----	-----	-----	-----	-----	-----	-----	-----

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Number and Type of Public Schools
For the Year Ended June 30, 2002

Type	Number
-----	-----
Elementary	10
Middle/Jr. High	2
Secondary	0
Combination	3

Total	15

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Experience of Public Principals and
Full-time Classroom Teachers
As of October 1, 2001

Type	0-1 Yrs.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	1	1	1	7	10
Principals	0	0	0	0	2	3	10	15
Classroom Teachers	46	32	111	52	57	72	116	486
Total	46	32	111	53	60	76	133	511

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Public School Staff Data
For the Year Ended June 30, 2002

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$38,184	\$37,951
Average Classroom Teachers' Salary Excluding Extra Compensation	\$34,132	\$33,932
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	467.0	451.0

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Class Size Characteristics
As of October 1, 2001

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	54.8	188	37.6	129	7.6	26	0.0	0
Elementary Activity Classes	29.8	37	32.3	40	12.9	16	25.0	31
Middle/Jr. High	36.4	63	42.8	74	20.8	36	0.0	0
Middle/Jr. High Activity Classes	20.7	6	24.1	7	24.1	7	31.0	9
High	0.0	0	0.0	0	0.0	0	0.0	0
High Activity Classes	0.0	0	0.0	0	0.0	0	0.0	0
Combination	47.1	294	30.0	187	22.9	143	0.0	0
Combination Activity Classes	46.3	25	18.5	10	14.8	8	20.4	11

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Louisiana Educational Assessment Program
(LEAP) for the 21st Century
For the Year Ended June 30, 2002

District Achievement Level Results	English Language Arts						Mathematics					
	2002		2001		2000		2002		2001		2000	
Students:	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4:												
Advanced	9	2.00	9	1.00	4	1.00	6	1.00	8	1.00	6	1.00
Proficient	81	15.00	46	7.00	63	13.00	40	7.00	39	6.00	46	9.00
Basic	162	29.00	232	37.00	163	33.00	203	37.00	200	32.00	149	30.00
Approaching Basic	214	39.00	162	26.00	124	25.00	131	23.00	143	23.00	114	23.00
Unsatisfactory	88	16.00	175	29.00	141	28.00	173	32.00	234	38.00	180	37.00
Total	554	100.00	624	100.00	495	100.00	553	100.00	624	100.00	495	100.00
District Achievement Level Results	Science						Social Studies					
	2002		2001		2000		2002		2001		2000	
Students:	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8:												
Advanced	3	1.00	0	0.00	0	0.00	4	1.00	3	1.00	4	1.00
Proficient	69	14.00	35	7.00	47	10.00	45	9.00	50	10.00	32	7.00
Basic	154	31.00	154	32.00	131	27.00	208	42.00	186	38.00	192	40.00
Approaching Basic	142	29.00	138	29.00	136	29.00	114	23.00	126	26.00	115	24.00
Unsatisfactory	121	25.00	157	32.00	163	34.00	119	25.00	119	25.00	134	28.00
Total	489	100.00	484	100.00	477	100.00	490	100.00	484	100.00	477	100.00

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

The Graduation Exit Exam for the 21st Century
For the Year Ended June 30, 2002

District Achievement Level Results	English Language Arts						Mathematics					
	2002		2001		2000		2002		2001		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students:												
Grade 10:												
Advanced	4	1.0	2	1.0	N/A	N/A	22	6.0	9	3.00	N/A	N/A
Proficient	54	15.0	36	11.0	N/A	N/A	28	7.0	42	12.00	N/A	N/A
Basic	138	39.0	138	41.0	N/A	N/A	119	30.0	105	31.00	N/A	N/A
Approaching Basic	81	23.0	62	18.0	N/A	N/A	56	14.0	52	15.00	N/A	N/A
Unsatisfactory	78	22.0	100	29.0	N/A	N/A	168	43.0	130	39.00	N/A	N/A
Total	355	100.0	338	100.0	NA	NA	393	100.0	338	100.00	NA	NA

District Achievement Level Results	Science						Social Studies					
	2002		2001		2000		2002		2001		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students:												
Grade 11:												
Advanced	4	1.0	N/A	N/A	N/A	N/A	3	1.0	N/A	N/A	N/A	N/A
Proficient	39	11.0	N/A	N/A	N/A	N/A	27	8.0	N/A	N/A	N/A	N/A
Basic	107	30.0	N/A	N/A	N/A	N/A	154	44.0	N/A	N/A	N/A	N/A
Approaching Basic	95	27.0	N/A	N/A	N/A	N/A	76	22.0	N/A	N/A	N/A	N/A
Unsatisfactory	111	31.0	N/A	N/A	N/A	N/A	93	25.0	N/A	N/A	N/A	N/A
Total	356	100.0	NA	NA	NA	NA	353	100.0	N/A	N/A	N/A	N/A

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

The IOWA Tests
For the Year Ended June 30, 2002

	Composite		
	2002	2001	2000
Test of Basic Skills (ITBS)			

Grade 3	45	50	47
Grade 5	43	48	48
Grade 6	50	46	49
Grade 7	50	46	49
	45	46	46
Tests of Educational Development (ITED)			

Grade 9	46	49	48

(UNAUDITED)